

**CLOVER PARK SCHOOL DISTRICT No. 400**  
**Pierce County, Washington**  
**September 1, 1991 Through August 31, 1992**

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**Schedule Of Findings**

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1. Academic Credits Reported To The Superintendent Of Public Instruction (SPI) Should Be Based On Official Transcripts

Our test of staff mix revealed that in four out of ten records the district accepted copies of transcripts/grade reports, in-lieu-of the required official transcripts, for the purpose of placing employees on the LEAP schedule and in reporting to SPI. The district did not follow through and obtain the necessary official transcripts.

WAC 392-121-280 Placement on state-wide salary allocation schedule and on LEAP document 1 ) Documentation required, states in part:

School districts shall have documentation on file and available for review which substantiates each certificated employee's placement on the state-wide salary allocation schedule and on LEAP Document 1 . . .  
(2) Districts shall document total eligible credits on an official transcript or letter from the institution granting the credits or performing the in-service training . . . .

Although the credit reported by the district appear to be accurate, the supporting documentation does not meet the requirements of SPI. This weakness exists due to the lack of a system to follow-up on temporary documents accepted to support claims for credits.

We recommend the district require official transcripts or letters before moving teachers on the salary schedule. We further recommend the district research all their records and obtain the necessary documentation to be in compliance with SPI regulations.

2. Internal Control Over Associated Student Body (ASB) Funds Needs Improvement

Our review of ASB Fund records revealed weaknesses in control procedures as follows:

a. Cash and checks:

(1) One school was not depositing cash immediately in compliance with state law.

(2) One school's ASB vault contained a teacher's class money without a reconciling system to substantiate the amount of money. This money should have been deposited immediately, and appropriate reconciling documents should have been maintained.

(3) One school had a check dated June 5, 1992, in a wall storage closet, which should have been deposited nine months earlier. In addition, the ASB checking account had not been reconciled since September 1992.

(4) One school was not recording the amount of cash versus checks received on its cash receipts.

(5) One school's ASB secretary was accepting deposits without adequate reconciliation documentation.

(6) Two schools had ASB secretaries reconciling the ASB checking account which was a lack of adequate segregation of duties.

(7) Four schools were not endorsing checks immediately upon receipt.

b. One school's student store did not have an inventory system as cash receipts were not being reconciled to products sold.

c. Access to assets:

(1) One school left ASB cash in a bank bag on top of the safe for the courier. Further, the ASB vault was not locked during the day. Access to the room containing the vault was not controlled.

(2) Physical control over cash and inventory at one school was inadequate. Fund raiser inventory was stacked outside of the ASB secretary's office in an unsecured area. The ASB secretary was receiving cash from sales of this inventory, therefore, it was a lack of segregation of duties for her to also control the inventory.

(3) An estimated \$1,000 of school lunch tickets were stolen from one school. This was due to a lack of proper internal control over the tickets.

d. Four schools had over 20 negative cash balances in ASB class and club accounts within a three month period.

e. Receipts:

(1) One school had receipting documentation for fines which were not prenumbered.

(2) One school had receipt copies written in ink. Only original receipts should show ink.

f. Other:

(1) One school was behind as much as ten months in filing ASB source documents.

(2) One school was not reconciling fund raiser revenues to inventory sold.

These weaknesses could cause irregularities to occur which might not be detected in the normal course of business. These exceptions resulted from a lack of emphasis placed on ASB at the school level, and heavy work loads in the positions handling ASB funds.

We recommend the district provide training for the ASB secretaries to improve control over the handling of ASB moneys.